

Audit or Review - Testing Workpaper Report

Client Name: H & M Tools Ltd.

Audit No: H&M25-2 - Statutory Audit ICAI

Workpaper Name:	Share Capital
Created By and Date:	AudAssist1, 06/09/2025
Workpaper No:	H&M25-2/WP006
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Observation
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	1
Notes/Steps:	<ul style="list-style-type: none"> a) Obtain a lead schedule of share capital for the year ended March 31, 2xx3. b) Verify MCA master data records to check the accuracy of authorized and issued share capital. c) Obtain ordinary resolution at Extraordinary General Meeting with respect to increase in authorized share capital. d) Obtain the list of shareholders as on March 31, 2xx3. e) Obtain list of promoter shareholders as on March 31, 2xx3. f) Obtain share valuation report and assumptions verified thereof. g) Obtain a list and copies of share certificates in respect to which shares issued during the year ended March 31, 20x3. h) Circulate and receive direct external confirmation from the shareholders. i) Review presentation and disclosures in the schedule of Balance Sheet and Notes to Accounts of the financial statement drafts provided by the company.
Deviations/Exceptions Noted:	Obtained the list of shareholders, list of promoter shareholders, share valuation report and assumptions verified thereof.
Critical Audit Matter(CAM):	On the basis of audit procedure, we reach to a conclusion that nothing adverse was observed for auditors to write any significant observation.
Conclusion:	On the basis of audit procedure, we reach to a conclusion that nothing adverse was observed for auditors to write any significant observation.
Attachments:	1
Workpaper Name:	Expenses
Created By and Date:	AudPartner1, 06/09/2025
Workpaper No:	H&M25-2/WP005
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Examination, Inspection
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	2
Notes/Steps:	<ul style="list-style-type: none"> a) All the payments have been duly authorized by a competent authority. b) Ensure that all payments relate to business. c) Ensure that all payments have been received by the correct payee and acknowledged by a receipt note or in the voucher itself. d) See that expenses relate to the period under audit. e) Ensure that no personal expenses are charged as business expenditure. f) See the mode of payment cash, cheque etc. and relate to corresponding entry in cash or bank book. g) Ensure that if any payment relates to the period that extends to next year, a proportionate amount is carried forward as pre-paid expense.

Deviations/Exceptions Noted:	Selected sample of vouchers to be checked. Checked agreement and invoices for the service received. Verified the sample selected with vouchers. Checked the authorization and nature of expenses. Examined the TDS compliance of respective entries booked. Examined whether the expenses are booked in the correct heads as per the nature of expenses incurred.
Critical Audit Matter(CAM):	On the basis of audit procedure, we observed that some expenses are booked under incorrect heads. This has been discussed and later adjustments have been done.
Conclusion:	On the basis of audit procedure, we observed that some expenses are booked under incorrect heads. This has been discussed and later adjustments have been done.
Attachments:	1
Workpaper Name:	PPE CWIP and Intangible Assets
Created By and Date:	AudAssist1, 05/09/2025
Workpaper No:	H&M25-2/WP004
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Inspection
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	2
Notes/Steps:	PPE, CWIP, Intangible Assets, ROU Assets, Depreciation & Amortization
Deviations/Exceptions Noted:	PPE, CWIP, Intangible Assets, ROU Assets, Depreciation & Amortization
Critical Audit Matter(CAM):	PPE, CWIP, Intangible Assets, ROU Assets, Depreciation & Amortization
Conclusion:	PPE, CWIP, Intangible Assets, ROU Assets, Depreciation & Amortization
Attachments:	1
Workpaper Name:	Investments
Created By and Date:	AudAssist1, 05/09/2025
Workpaper No:	H&M25-2/WP003
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Observation, Examination, Inspection
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	2
Notes/Steps:	Obtained the Lead Schedule for Investments and tested for their Completeness, Accuracy, Existence, Rights and Obligations, Cut-off, Presentation and Disclosure, Classification, Occurrence, Valuation and Allocation.
Deviations/Exceptions Noted:	Deviations are discussed with the Partner, Reviewer and the client.
Critical Audit Matter(CAM):	Deviations are discussed with the Partner, Reviewer and the client.
Conclusion:	Deviations are discussed with the Partner, Reviewer and the client.
Attachments:	1
Workpaper Name:	Trade Receivables

Created By and Date:	AudAssist1, 05/09/2025
Workpaper No:	H&M25-2/WP002
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Examination, Inspection
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	2
Notes/Steps:	<p>a) Obtain the list of the customers of the Company along with their balances and ageing.</p> <p>b) Obtain the listing of trade receivables classified between disputed and undisputed.</p> <p>c) Obtain the ledger dump of the parties to verify the transactions.</p> <p>d) Identify the parties to whom the direct confirmation is to be sent.</p> <p>e) Analysis of Trade Receivables has to done according to two basis: (i) Total trade receivables variance analysis and/or (ii) Customer wise trade receivables variance analysis</p> <p>f) Total Trade Receivables Analysis to be performed along with the analytical procedures performed for the other balance sheet and P/ L items.</p> <p>g) Confirmation Control Chart: External confirmations to be sent to the parties to confirm that the closing balances as per parties are in agreement with that of the books of account of the Company. The confirmations have been sent to the parties on the basis of the significance of the balances.</p>
Deviations/Exceptions Noted:	Analysis of Trade Receivables has been done according to two basis: (i) Total trade receivables variance analysis (ii) Customer wise trade receivables variance analysis
Critical Audit Matter(CAM):	Based on the audit procedures performed we have observed and discussed with the management and they have adjusted the balances.
Conclusion:	Based on the audit procedures performed we have observed and discussed with the management and they have adjusted the balances.
Attachments:	0
Workpaper Name:	Cash and Bank
Created By and Date:	AudPartner1, 05/09/2025
Workpaper No:	H&M25-2/WP001
Reviewed By and Date:	AudEQR1, 06/09/2025
Type of Test:	Inquiry, Examination, Inspection
Status:	Closed
Exceeded Materiality:	NA
Auditor Hours Spent:	2
Notes/Steps:	<p>a) Obtain the Bank statements of the company on a random basis and specially for the ones of year end.</p> <p>b) Understand on how bank payments are made by the organization.</p> <p>c) Obtain bank reconciliations for the months of January, 20XX and March, 20XX.</p> <p>d) Obtain Fixed deposit certificate and Interest on FD working at year end.</p> <p>e) Analyse by Variance Analysis on Balance with Banks: on Current Accounts: Fixed Deposit ((upto 12 months maturity) and Cash on Hand for the Current and Previous Year</p> <p>f) Cash Verification: The Company's balance of cash & cash equivalents is in the form of bank balance and Fixed deposit balance and cash on hand. A signed certificate from the authorized signatory of the management of the same has to be taken for the amount of cash balance.</p> <p>g) Balance Confirmation: A direct communication has to be sent to the bank</p>

Notes/Steps:	<p>- confirming the bank balances, fixed deposits balances, interest on the same at year end i.e., March 31, 20xx for all the bank accounts held by the company.</p> <p>h) Reconciliation of bank balance as per books of account with that of bank statement: A reconciliation of bank balance as per books of account and balance as per bank statements was done for all the bank accounts at year end. i.e. March 31, 20xx. (Bank reconciliation statement verified) and also checked the long pending reconciliation item along with the subsequent clearance status.</p> <p>i) Analysis of major transactions done during the year end: An analysis of the major transactions entered by the company during the have been verified thoroughly from the bank statements.</p> <p>j) Analysis of major transactions done during the year end: The purchase of the land and building during the year. The payment made through the bank has to be traced and the TDS implications of the same has to be verified.</p> <p>k) Analysis of major transactions done during the year end: The disbursements of the loans taken during the year to be verified and traced from the respective bank statements.</p> <p>l) Interest on Fixed Deposit: A working to be obtained from the management to check if the interest accrued on fixed deposit is same as in the fixed deposit certificate.</p> <p>m) Interest on Fixed Deposit: The Fixed deposit control chart to be prepared for the interest on fixed deposit.</p>
Deviations/Exceptions Noted:	<p>Followed all the steps and verified the details by Obtaining the Bank statements of the company on a random basis and specially for the ones of year end.</p> <p>b) Gained an understanding on how bank payments are made by the organization.</p> <p>c) Obtained bank reconciliations for the months of January, 2024 and March, 2025.</p> <p>d) Obtained Fixed deposit certificate and Interest on FD working at year end.</p>
Critical Audit Matter(CAM):	On the basis of audit procedure, we reach to a conclusion that nothing adverse was observed for auditors to write any significant observation.
Conclusion:	On the basis of audit procedure, we reach to a conclusion that nothing adverse was observed for auditors to write any significant observation.
Attachments:	1